

Carl Zeiss Meditec AG



**Morgan Stanley
Global Healthcare Conference**

Dr. Christian Müller, CFO

13/14 September 2011

Did you know that ...



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... **40 %** of the people will have Cataract, **5 %** Glaucoma and **10 %** AMD, that is 2/3 and the rest will have a refractive error (glasses)?



... **every second**, somebody goes blind due to AMD or glaucoma?

We provide ophthalmic systems which doctors can use to diagnose these diseases right from an early stage - helping them to prevent blindness.



An eye scan is carried out somewhere with these systems once every second.

... in the USA alone **13,000 people** die from brain tumors each year?

Our OPMI® Pentero® microscope has already been used for more than a million neurosurgery operations - helping to provide the best possible treatment.





1 **Carl Zeiss Meditec at a glance**

2 Company program MEGA 2015

3 9 M Financials

4 Looking into the future

Carl Zeiss Meditec is one of the world's leading medical technology companies



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Created in 2002, trendsetter in ophthalmology and microsurgery with well-established gold-standards since 160 years

Headquartered in Jena, Germany with more than 2.200 employees worldwide, more than 50% outside of Germany

Listed on the TecDAX;
65% of the shares held by Carl Zeiss

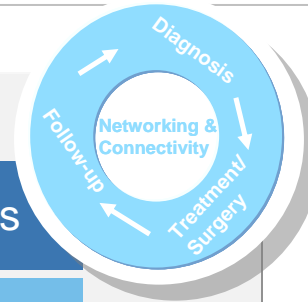
Sales: €677 million, EBIT margin: 12.8%,
ROCE 25.6% in fiscal year 2009/2010



Offering the most extensive portfolio in the industry for specific customer segments



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Customer group:

Hospitals, clinics, ambulatory surgery centers

Private practitioners

Microsurgery



Surgical microscope OPMI® Pentero®



Surgical microscope OPMI® Sensera®



IORT: INTRABEAM®

Surgical Ophthalmology



Femtosecond laser system: VisuMax® (reported in SBU Ophthalmology)



Surgical microscope OPMI Lumera® (reported in SBU Microsurgery)



Intraocular lens AT LISA

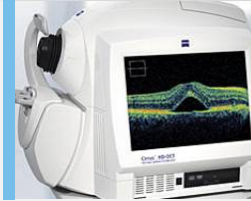
Ophthalmology



Optical biometry: IOLMaster®

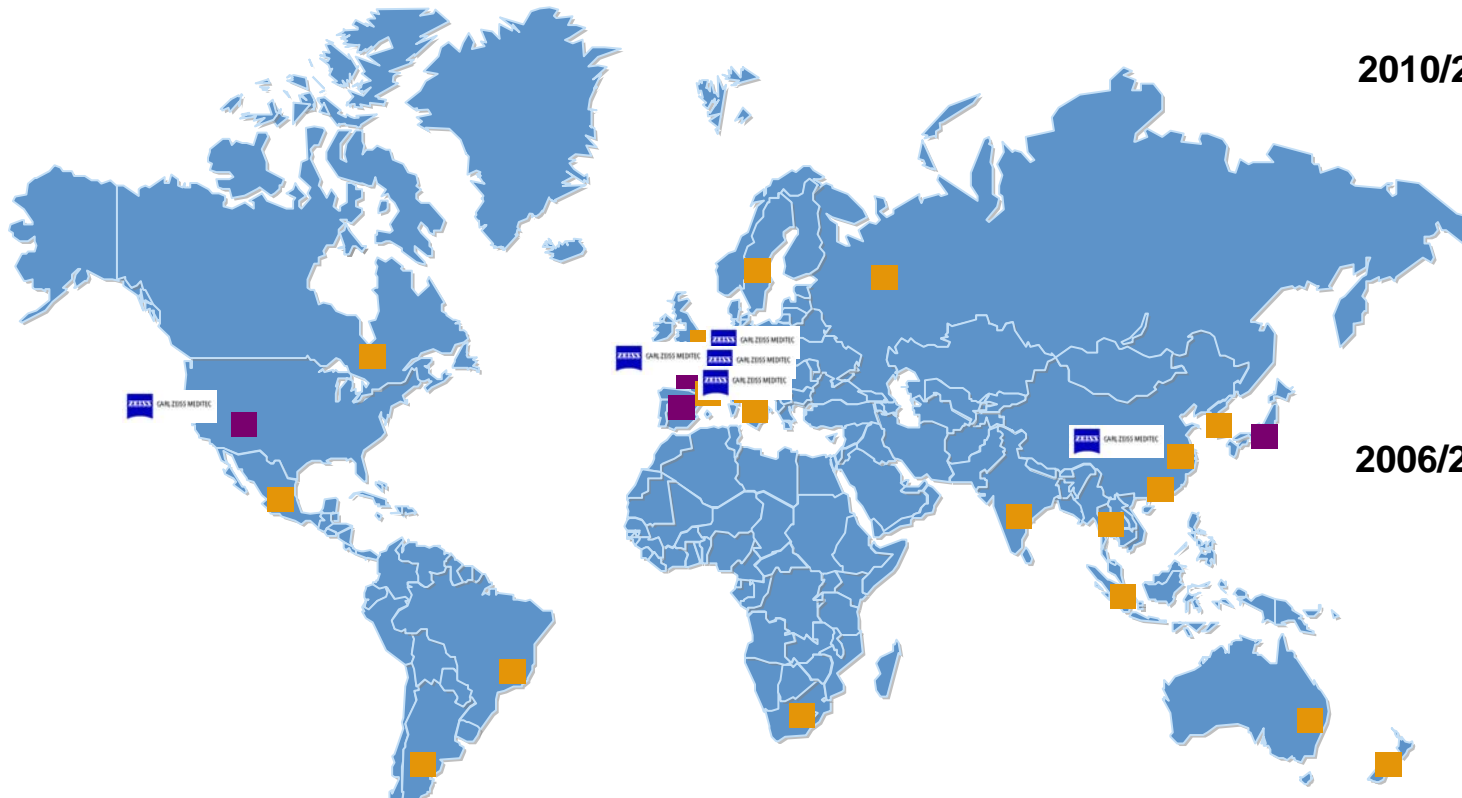


VISULAS Trion



OCT: Cirrus™ HD-OCT

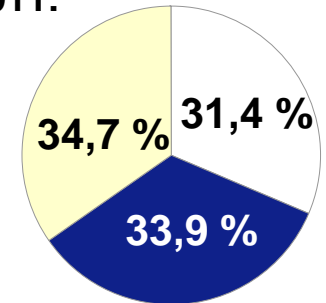
Broad international set-up – close to our customers with sales, service and R&D



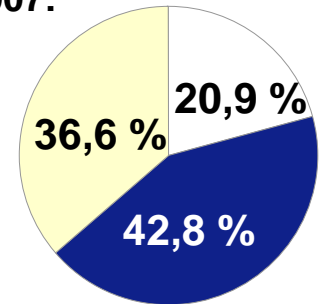
 **Company locations: Production, Sales, Service, R&D**
 **CZM Sales offices: USA, France, Spain, Germany, Japan**
 **CZ Sales offices**




Revenue split:

2010/2011:

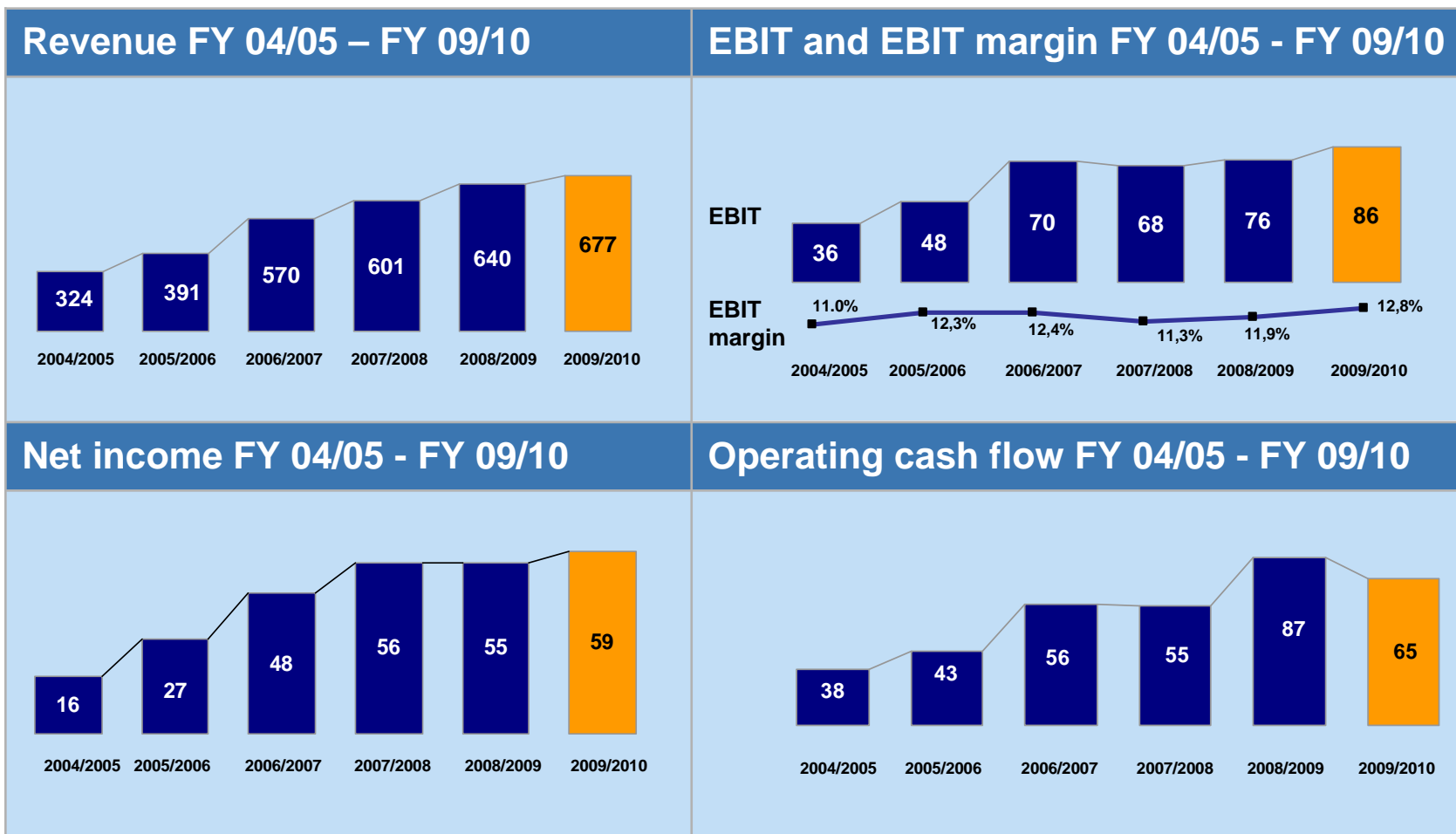


2006/2007:



 EMEA
 Asia Pacific
 Americas

Our track record: Successful, sustainable and stable



Figures according to IFRS, except for FY 2004/2005 US-GAAP

All figures in millions of € unless stated otherwise |
Rounding differences to figures reported in € '000 are possible



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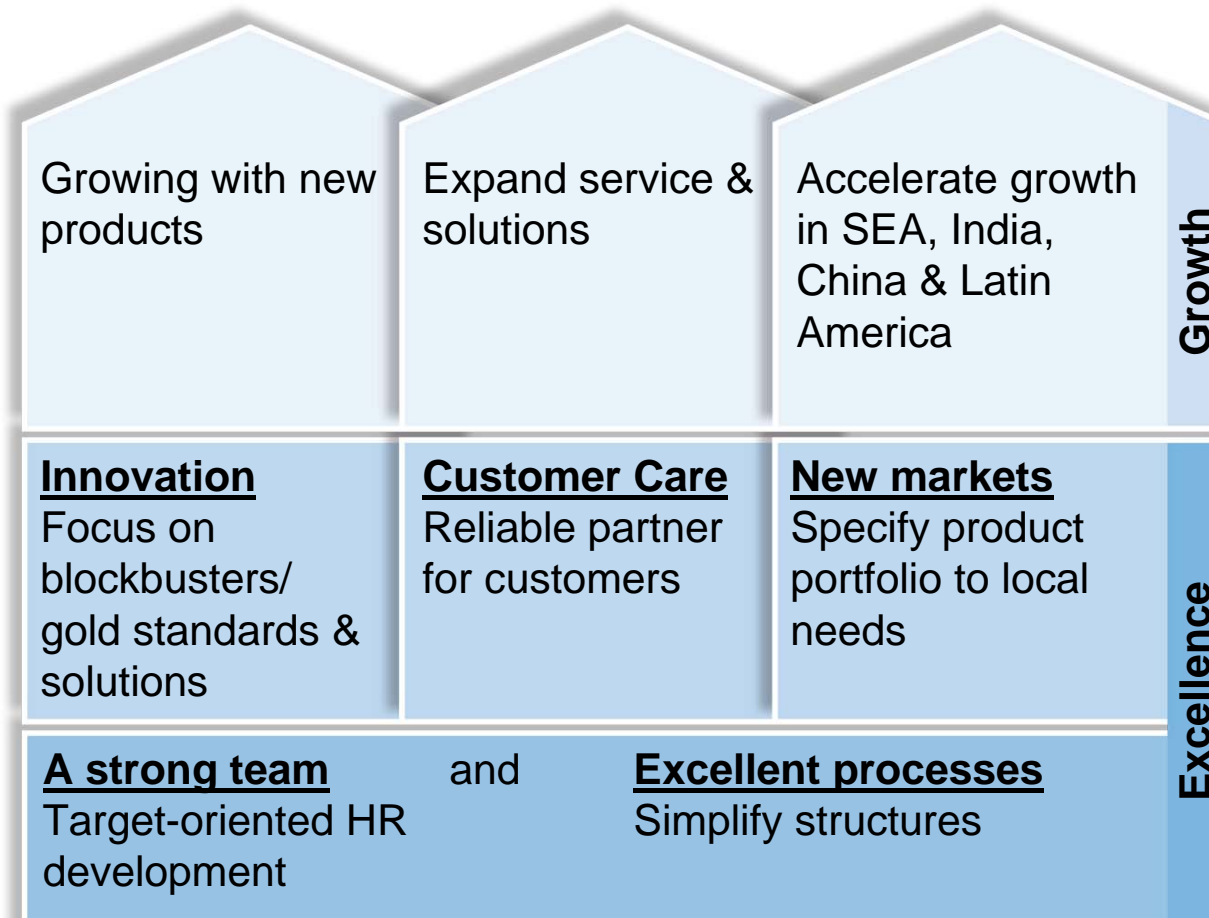
4 Looking into the future

MEGA 2015: Meditec Excellence and growth agenda



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In addition to a focus on excellence in five key areas, MEGA aims for company growth:



MEGA 2015 is a solid plan for the future



Key success factor Innovation: Carl Zeiss Meditec's major differentiator

New Innovations

1. BLUEMIXS
pre-loaded intraocular lens/injector
2. IOLMaster 500
cataract diagnostic device
3. Lumera 700 – ceiling mount
high-end surgical microscope
4. ReLEx smile – Flapless
minimally invasive
refractive surgery
5. Visalis 500
innovative cataract
surgery device
6. VARIO 700
surgical microscope
for spinal surgery

Proof of Efficacy

INTRABEAM – is a unique device
for intraoperative radiotherapy

Breast cancer is diagnosed in
1.3 million women annually

Excellent results of 9 year TARGIT
study with over 2.000 patients
disclosed in 06/2010

Already over 100 breast cancer
centers worldwide equipped
with INTRABEAM

INTRABEAM Revenue
guidance of € 10m
already achieved after 9 months

Solutions

ZEISS Toric Solution

helps doctor to implant and align
toric lenses faster and easier, for
even better results

ZEISS Ophthalmic Data m Management Solution

a completely integrated platform
for diagnostic patient data as well
as for surgery documentation, thus
enabling a paperless workflow in
the practise and into the OR

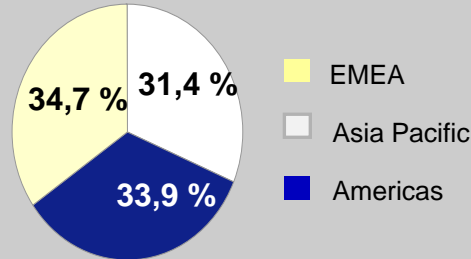
ZEISS Refractive Laser Solution

most comprehensive application
range as well as a fully integrated
flow of data and patient handling

Key success factor Emerging markets: Carl Zeiss Meditec participates in the growth in Asia

1

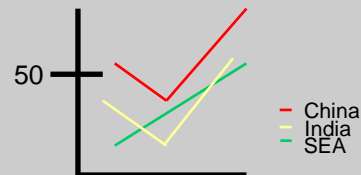
Well-balanced and globally oriented



2

Early presence in emerging markets

Highest market dynamics
(growth +30 %)



3

Built-up of Product development in India and China

Establishment of a Center of Application & Research in India (CARIn) and a Research & Development Center in China



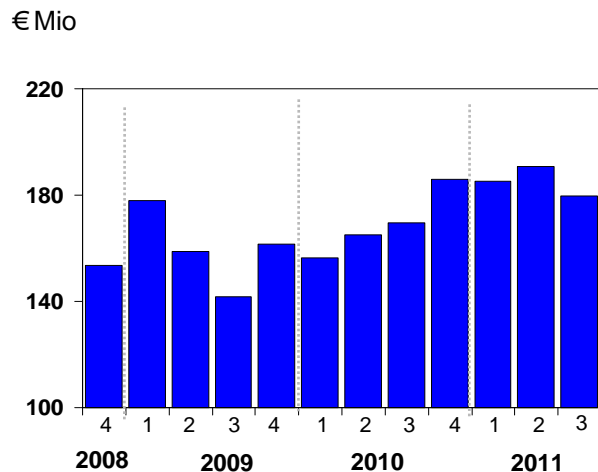


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- 2 Key success factors and the new company program MEGA 2015
- 3 9M Financials**
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Carl Zeiss Meditec performance continues to be strong



CZM revenue significantly over prior year



Key takeaways:

- **9-month-revenue increased by 13.2% over PY** (constant currency: +11.8%)
- All regions and business units contribute to growth
- Strongest growth in SBU Microsurgery (20,8%). APAC remains to be regional driver.
- **Profitability rises to 13.6% (Ebit-margin)**
Mainly attributable to volume effects and gross margin improvements
- **Strong balance sheet** (72,2 % Equity ratio, no debt)
- **Although markets are uncertain in the light of the debt crisis, guidance unchanged**

Our Focus

Innovation. Customer care. New markets.

All SBUs and regions drive growth



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Key financials / Background	9M 2009/2010 and 9M 2010/2011	Change
<ul style="list-style-type: none"> Revenue growth due to positive market development during 9 months reporting period and good market position of CZM positive currency effects (+1,4%, 7m € YTD) 	<p>Net sales</p>	<p>▲ +13.2%</p>
<ul style="list-style-type: none"> Increase of EBITDA and EBIT due to strong topline and improved gross margin 	<p>EBITDA</p> <p>EBIT</p>	<p>▲ +23.7%</p> <p>▲ +26.2%</p>
<ul style="list-style-type: none"> Net income and EPS improved due to strong EBIT supported by positive financial result 	<p>Net Income</p> <p>EpS</p>	<p>▲ +44,6%</p> <p>▲ +48,0%</p>
<ul style="list-style-type: none"> Decrease in cash flow from operating activities mainly due to an increase in trades receivable and inventories, increase in income tax paid 	<p>Operating Cash flow</p>	<p>▼ -77.3%</p>

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Due to our stable strategic setup we are optimistic about the longer term development of CZM

Why we are optimistic about our future perspectives

- Ophthalmology is a stable and predictable market which benefits from demographic trends
- We have a diverse business set-up and have invested in new products (e.g. radiotherapy)
- Our set-up in Asia allows us to participate in the growth of the rapidly developing economies (China, India, SEA)

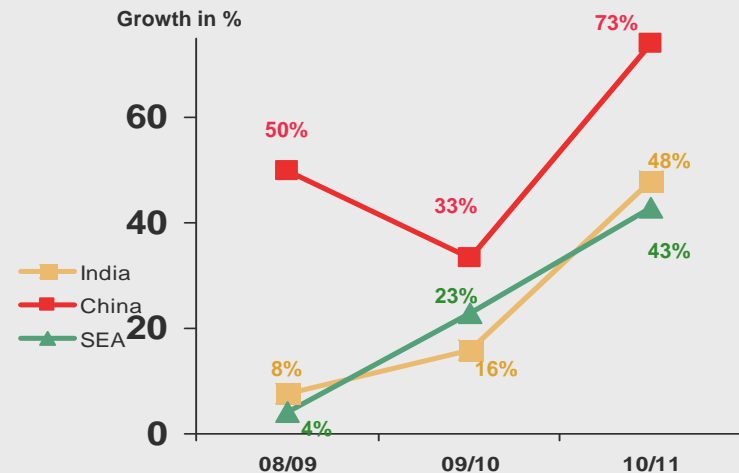


Population age 65 and older [%]

	2010	2025	2050
WORLD	7	10	16
Europe	16	21	26
North America	13	18	21
Latin America & Caribbean	6	10	19
Asia	7	10	18
Africa	3	4	7
Oceania	10	15	19

Source: 2010 World Population Data Sheet and United Nations Population Division

Growth rates in India, China and SEA 2009-2011



We confirm our guidance for FY 2010/11

What to expect from FY 2010/11

- The turbulences of global economy cause some uncertainty
- We confirm our revenue guidance: FY 10/11 €720-750m
- Compared to PY, EBIT will be further improved in FY 10/11 on our course towards margin of up to 15% by 2015

What to expect longer term

- We will continue to implement our company program MEGA 2015
- We are prepared to react to changes of the economic environment
- We continue to work on M&A opportunities



The moment innovation and passion
lead to the best vision for the patient.
This is the moment we work for.



We make it visible.



// OPHTHALMIC
SOLUTIONS
MADE BY CARL ZEISS



Appendix

Successful financial year 2009/10: Revenue and result in excess of expectations



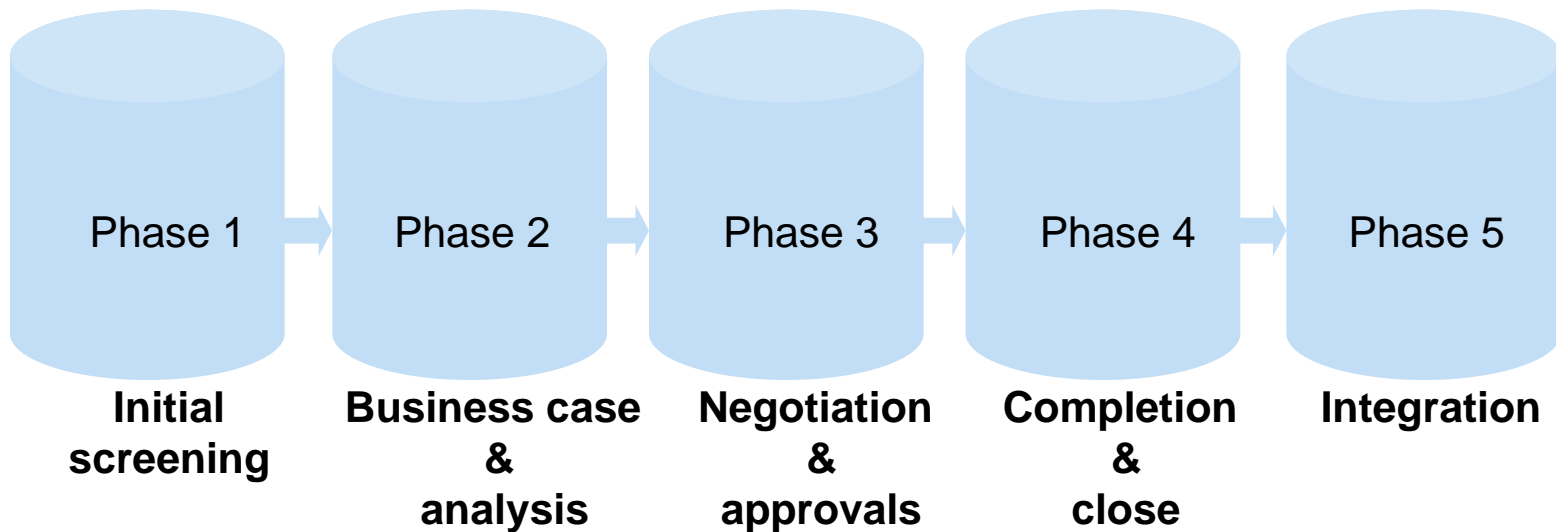
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676.7 Revenue in € million	54.9 Consolidated net income after non-controlling interest in € million	0.68 & 0.22 (+ 0.33) Earnings & dividend (special dividend) per share in €
12.8 EBIT margin in %	65.2 Operative cash flow in € million	72.4 Investment in research and development in € million

Key topics

- Emerged stronger from the crisis
- Again growing faster than the market
- Double-figure growth in APAC
- High level of incoming orders
- Successful conclusion of RACE 2010
- Unprecedented level of R&D investments

Our M&A process



Typically 5-7 targets in phase 1, 2-3 in phase 2, max 2 in phase 3-5

A comprehensive eye care portfolio by the global market leader



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OUR MARKET:

- Stable, with solid underlying growth in demand
- Market growth is further enhanced by mega trends
- Attractive market segments with high entry barriers

OUR OFFERING TO THE CUSTOMER:

- Solutions for screening, diagnosis, (micro)surgery and follow-up
- Comprehensive eye-care portfolio
- Focus on workflow and image management solutions
- Developing industry connectivity and networking standards
- Product philosophy driven by simplicity, precision and efficiency

OUR COMPETITIVE POSITION:

- Unique global brand equity
- Trendsetter with well-established gold-standards since 160 years
- Global presence in sales, customer-care, engineering and manufacturing
- Excellent footing in emerging markets



Attractive growth potential combined with solid financial setup

OUR FINANCIAL PERFORMANCE:

- Solid and profitable growth since 2002
- Strong equity and cash position, no debt
- Focus on sustainable ROCE and high FCF generation
- Recurring revenue share increasing

OUR GROWTH PLANS & SHORT-TERM POTENTIAL:

- Next generation of gold-standard products
- Further expanding our business in Emerging Markets
- Becoming the leading workflow solution provider
- Screening for portfolio completion opportunities

OUR STOCK:

- Combines growth opportunity with solid dividend
- Ideal for investors who believe in long-term sustainable growth companies



Financial Calendar

7/8 Sep 2011	Goldman Sachs European MedTech & Healthcare Services Conference, London
13 Sep 2011	Morgan Stanley Global Healthcare Conference, New York
27 Sep 2011	Jefferies Global Healthcare Conference, London
29 Sep 2011	UniCredit German Investment Conference, Munich
08 Dec 2011	Annual Financial Statements

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